

**DEPARTMENT OF HUMAN SERVICES
FAMILY INDEPENDENCE
FOOD STAMPS**

TANF/PaS: VII

Med: 1210

CFR 273.11(h)

Section: **FS-444-1**

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HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Sponsored Aliens

GENERAL RULE - Aliens must verify U.S. residency and have eligibility determined according to the rules in FS-111-2.

DEFINITIONS:

1. A sponsored alien is a person lawfully admitted for permanent residence to the U.S. for whom a person (the sponsor) has executed an affidavit of support (INS Form I-864 or I-864A) on behalf of the alien.
2. A sponsor is a person or organization signing an affidavit or document on behalf of the alien as a condition of entry.
3. Date of entry or admission is the date established by the INS as the date the alien was admitted for permanent residence.

EXCEPTIONS TO SPONSORED ALIEN RULES:

1. Aliens who are members of the sponsor's household.
2. Aliens who are sponsored by an organization.
3. Aliens not required to have a sponsor under the Immigration and Nationality Act.
4. Aliens who are determined to be unable to obtain food and shelter in the absence of assistance, taking into account their own income. In these situations the state must decline to deem the sponsor's income for a twelve (12) month period and instead take into account only that income that the sponsor actually provides.
5. A battered alien spouse, alien parent of a battered child, or a child of a battered alien for twelve (12) months after the state determines that the battering is substantially connected to the need for benefits, and the battered individual does not live with the batterer. After twelve (12) months, the state must not deem the batterer's income and resources if the battery is recognized by a Court or the INS, has a substantial connection to the need for benefits and the alien does not live with the batterer.

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EXCEPTIONS TO SPONSORED ALIEN RULES: (for sponsors)

1. If a sponsor is a sponsor of an ineligible immigrant, that portion of the sponsor's income is not deemed to the remaining household members.
2. If a sponsor's income is below 130% of the poverty income guidelines (maximum gross monthly guidelines), he or she is exempt from the sponsored alien rules.

SPONSORED ALIEN RULES

GENERAL INFORMATION - Most sponsored non-citizens will be ineligible because they are immigrants. If they can be credited with 40 qualifying quarters of work, they are eligible and deeming ends (see FS-111-2). Some immigrants who are veterans, or on active duty, or the spouse or child of the veteran or person on active duty may be eligible and subject to deeming.

The income of a sponsor's spouse does not count toward the deeming unless the sponsor's spouse has also signed the affidavit of support.

1. Count the spouse's income and assets even if they were not married at the time the agreement was signed. If the sponsor and spouse do not live together, only the income and assets of the sponsor are counted.
2. If a sponsor sponsors more than one alien, divide the income and assets among the number of aliens that are sponsored by the same sponsor.

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3. If an alien changes sponsors after being certified for FS, use the new sponsor's income and assets to determine eligibility.
4. Do not count money paid to the alien by the sponsor as income to the alien, unless the amount exceeds the income deemed from the sponsor. Add any excess to the amount deemed.
5. If the alien has applied for TANF and has had income and assets deemed for that program, use the TANF figures.
6. Aliens and their sponsors shall be jointly and separately liable for any overpayment made to the alien during the sponsorship which is due to the sponsor's failure to provide correct information, except when the sponsor is without fault or good cause exists.

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ENDING OF DEEMING

Deeming of a sponsor's income and resources is to continue until:

1. the alien gains U.S. Citizenship,
2. the alien has worked or received credit for forty (40) qualifying quarters of work,
or
3. the sponsor dies.

SPONSOR'S INCOME CALCULATION

1. ADD: Earned income of sponsor's and sponsor's spouse (if the spouse signed an affidavit).
2. SUBTRACT: Earned income deduction.
3. ADD: Unearned income of sponsor and sponsor's spouse.
4. SUBTRACT: Gross monthly income limit for family size (number of dependents who are, or could be, listed on Federal Income Tax Form).
5. DIVIDE BY: Number of alien households sponsored.

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TANF/PaS Reference

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6. EQUALS: Income deemed to each family unit. Treat as unearned income.

SPONSOR'S ASSETS CALCULATION

1. ADD: Allowable assets of the sponsor and spouse.
2. SUBTRACT: \$1500.00.
3. DIVIDE BY: Number of alien households sponsored.
4. EQUALS: Assets deemed to each family unit.

CLAIMS

Different
Chap. II, Sec. C, Both the sponsor and the alien will be held liable for any over-issuances.
Claims may be established against both parties, unless it can be verified that one
of the parties was without fault in providing the information.

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AFDC Reference

CFR 273.11(h)

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Sponsored Aliens

EXEMPT ALIENS

The following are exempt from the sponsored alien rule:

1. Aliens living in the sponsor's household;
2. aliens sponsored by an organization;
3. aliens who do not require a sponsor under the Immigration and Nationality Act;
4. refugee, parolee, individuals granted asylum and entrants from Cuba or Haiti;
5. aliens who were sponsored prior to February 1, 1983.

Different
Chap. II, Sec. C,

CLAIMS

Different
Chap. II, Sec. C,

Both the sponsor and the alien will be held liable for any over-issuances. Claims may be established against both parties, unless it can be verified that one of the parties was without fault in providing the information.

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TANF or PaS Reference

CFR 273.11(a), 273.10(c)
273.21(b)Section: **FS-444-2**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Self-employment, Migrant Farm Workers and Contract Employees

SELF-EMPLOYMENT:

Same
Chap. II, Sec. D,

GENERAL RULE - Self-employment income shall be averaged over a twelve-month period when it represents the household's major source of support. This applies even when it is received in a shorter period of time.

EXCEPTIONS: If the twelve-month average is not an accurate reflection of circumstances or a business has been in operation only a part of a year, income will be averaged for the months in operation or the worker shall calculate the self-employment income based on anticipated earnings.

SELF-EMPLOYMENT - Seasonal self-employment income which supplements other income shall be averaged over the season.

DETERMINING INCOME:

Acceptable Verification - income tax returns, business records, etc.

1. Add all gross self-employment income together including the full amount of capital gains. This means that a household with more than one self-employment enterprise shall have all self-employment gross income added together.
2. Add all costs of producing income together. This means that a household with more than one self-employment enterprise shall have all self-employment costs added together.

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TANF/PaS: III

Med: 2310, 3411

CFR 273.11, 273.10,
273.21

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HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Self-employment, Migrant Farm Workers and Contract Employees

Expenses not allowed are:

- a. net losses from previous periods;
- b. federal, state and local income taxes, retirement plans, and work-related personal expenses (transportation to and from work);
- c. depreciation.

NOTE: Effective June 1, 2001, the payments on the principal of the purchase price of income producing real estate, capital assets, equipment, machinery, or other durable goods **are** allowable costs.

The household will need to provide information concerning these payments. It may not be provided on the IRS tax forms.

3. Subtract the total costs of producing the income from the total gross income of the self-employment enterprise(s).

NOTE: The purpose of numbers 1 through 3 above is to arrive at the total self-employment income of the household. This allows the loss from one self-employment enterprise to be subtracted from the gain of another self-employment enterprise within the household.

4. Divide net earnings by number of months over which income has been averaged, when appropriate.
5. Add self-employment income to any other income received by the household.

NOTES: Losses from a farm enterprise shall be deducted from any other countable household income. This special consideration applies only to farms with annual gross sales of \$1,000.00 or more.

Household deriving income from day care may elect actual documented cost of meals or \$3 per day as the cost of non-reimbursed meals provided to individuals.

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TANF or PaS Reference

CFR 273.11, 273.10

Section: **FS-444-2**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Self-employment, Migrant Farm Workers and Contract Employees

USE OF RESIDENCE FOR SELF-EMPLOYMENT

1. The proportionate share of shelter costs used for self-employment purposes may be used as self-employment expenses. If this is chosen:
 - a. actual utility expenses, not the standard utility allowances, can be used;
 - b. only the interest expense (never the principal) of loan and mortgage payments can be used;
 - c. that portion of shelter costs used as self-employment expenses cannot be used as shelter expenses (see FS-555-5 for the effect of the self-employment expense decision on the household's allowable utility expenses).

Different
Chapter III

INCOME FROM ROOMERS

If a person rents out a room in his residence, the cost of renting out that room may be claimed as a self-employment expense. Most people with roomers have some rationale for calculating the amount of rent they charge. The renter should be asked what s(he) believes is the cost of renting the room. That statement should be sufficient. In the absence of any reasonable rationale or in the absence of specifically identifiable expenses, it is reasonable to arrive at the costs of lodging the roomer by calculating proportionate shares. For example, divide the costs of operating and maintaining the residence by either:

1. the number of rooms contained in the residence, or
2. the number of individuals sharing the residence, or
3. the square footage contained in the residence, or
4. comparable alternative, or
5. a reasonable combination of alternatives.

Household expenses counted as a cost of doing business may not be counted again as a shelter expense (see 555-5 "Use of Residence for Self-employment").

Excluded costs shall not exceed the payments received from the roomer.

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TANF or PaS: III Med: 3414

CFR 273.11, 273.10

Section: **FS-444-2**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Self-employment, Migrant Farm Workers and Contract Employees

MIGRANT FARM WORKERS

None

GENERAL RULE - Determine benefits prospectively.

DETERMINING INCOME

1. Consider all income received in the month of application prior to the application date.

NOTE: Include travel advances when a written contract stipulates the advance will be subtracted from wages. Treat other travel advances as reimbursements.

Same

2. Consider future income when receipt is reasonably anticipated in the application month.
3. Obtain verification of application month income from employers.

Same
Chapter II, Sec. D

CONTRACT EMPLOYEES

GENERAL RULE: Contract income shall be averaged over a twelve month period when it represents the household's major source of support, provided it is not paid on an hourly or piecework basis. This applies even when it is received in a shorter period of time such as sometimes occurs with teachers and other school employees.

Contract income shall be averaged over the period the income was intended to cover when it is not the household's major source of support, provided it is not paid on an hourly or piecework basis.

DETERMINING ELIGIBILITY - The averaged contractual income shall be added to other household income. Income exclusions and deductions shall then be applied in the usual way.

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TANF or PaS: III

Med: 1220, 2150, 3430

CFR 273.1(c) 273.11(b)

Section: **FS-444-3**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Boarders and Foster Care Payments

GENERAL RULE - Foster care individuals (both children and adults) placed in the home of relatives (including parents and siblings) or other individuals or families by a federal, state, or local governmental foster care program shall be considered boarders. These foster care boarders and all other boarders are ineligible to participate independent of the household with whom they live. Do not count income and assets of a boarder, foster children and foster adults to determine eligibility of a household, unless the household chooses to include him/her as a member.

NOTE: When the household chooses not to include the foster person, do not include foster care payments even though they go direct to the provider household.

EXCEPTION: Consider "boarders" paying less than the Thrifty Food Plan as household members (FS-111-1).

DETERMINING INCOME FROM BOARDERS - Include all direct payments to the household, including contributions for meals, room and shelter.

EXCEPTION: Do not count shelter expenses paid directly to someone outside the household as income or deductions to the household. Do not count any portion of foster care payments unless the foster children or foster adults are included as members.

**COSTS OF DOING BUSINESS FOR HOUSEHOLDS WITH BOARDERS
WILL BE:**

- | 1. actual verified cost of providing room and meals.

| **NOTE:** Verify these expenses only if questionable.

Count income from boarders, less the cost of doing business, as earned income to the household (FS 555-2).

NOTE: If room *and* board are being provided, use both the "Income From Roomers" policy at FS-444-2 and the boarder policy described here to determine room and board cost of doing business.

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TANF/PaS: II, VI **Med:** 1250

CFR 273.11(c)

Section: **FS-444-4**

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HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Disqualified Members

GENERAL RULE - Do not include for benefits those household members who are disqualified for:

- Intentional program violation (FS-777-2)
- Work registration noncompliance (non-head of household) (FS-111-5)
- Job quit or voluntary reduction in work effort (FS-111-6)
- Fleeing to avoid prosecution of, or custody or confinement after conviction for, a felony (ineligible while fleeing)
- Violating a condition of probation or parole imposed under a federal or state law (ineligible while in violation of the probation or parole condition)
- Activity which occurred after August 22, 1996 which resulted in a felony conviction and which has as an element the possession, use, or distribution of a controlled substance (as defined in section 102(6) of the Controlled Substances Act) (ineligible unless pardoned)
- Intentional program violation or other noncompliance with federal, state, or local welfare assistance program requirement (FS-444-10)
- Social security number noncompliance (FS-111-4)
- Alien status (FS-111-2)
- Student status (FS-444-7)
- Time limited eligibility for able-bodied adults without dependents (ABAWD) status (FS-111-7)

INCOME, ASSETS, AND DEDUCTIBLE EXPENSES OF DISQUALIFIED MEMBERS

1. **Assets** - Count in their entirety towards the asset level of the remaining household members.

EXCEPTION: Do not count the assets of household members who are ineligible because of student status or time limited eligibility for ABAWD status.

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AFDC: II, VI **Med:** 1250 CFR 273.11(c) Section: **FS-444-4**
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Disqualified Members

2. Income - Count all. If the income is earned, the 20% deduction applies.

EXCEPTIONS:

Count all but the disqualified members prorated share for household members disqualified for Social Security noncompliance or alien status.

Do not count the income of household members disqualified for student status or time limited eligibility for ABAWD status.

3. Deductible Expenses - Allow all deductible expenses of the entire household, regardless of who is billed or who pays.

EXCEPTIONS:

Allow all but the disqualified member's prorated share if paid by or billed to the disqualified member for household members disqualified for Social Security number noncompliance or alien status. If a household expense is not paid by or billed to the disqualified member, allow the entire expense.

Do not allow expenses paid by or billed to disqualified household members who are disqualified for student status or time limited eligibility for ABAWD status. If a household expense is not paid by or billed to the disqualified member, allow the entire expense.

4. Number in Household - Do not include disqualified members.

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Disqualified Members

PRORATING INCOME AND EXPENSES OF SOCIAL SECURITY NUMBER
NONCOMPLIANCE AND ALIEN STATUS AND DISQUALIFIED MEMBERS.

CALCULATION:

1. ADD: Countable gross income of disqualified member(s)
2. DIVIDE: Evenly among all household members, including the
 disqualified member(s)
3. SUBTRACT: Disqualified member's(s') share
4. ADD: Result to income of other household members
5. SUBTRACT: Allowable deductions

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TANF or PaS Reference

CFR 273.11(e)(F)

Section: **FS-444-5**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Residents of Drug and Alcohol Treatment Centers or Group Living Arrangements for the Developmentally Disabled

Not applicable

GENERAL RULE - Residents of alcohol treatment centers or group living arrangements for the developmentally disabled have the same rights to notices of adverse action, fair hearing and entitlement to lost benefits as do all other FS households.

Application for residents of drug and alcohol treatment centers together with their spouse and children who reside at the center must be made through an authorized representative who is an employee of the center. Residents together with their spouse and children shall have their eligibility determined separately from other residents of the facility. Each application must be for an individual household. The recipient's benefits will be controlled by the center.

The center must be certified by the Office of Substance Abuse as providing residential treatment that can lead to the rehabilitation of drug addicts or alcoholics.

A center which knowingly provides false information or does not handle coupons properly may be disqualified from participation in the Food Stamp Program. Repeated occurrences shall be referred to the Director, Food Stamp Program, for review.

PROCEDURE:

1. Determine that the center is a certified treatment program as defined under the general rule.
2. Review the rights and reporting responsibilities of the center with the center representative. Include the treatment of coupons and ID cards when a recipient leaves the center.

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TANF or PaS Reference

CFR 273.11(e)(F)

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Residents of Drug and Alcohol Treatment Centers or Group Living Arrangements for the Developmentally Disabled

Not applicable

3. Process applications by using the same provisions that apply to all other applicant households, except that certification is completed through use of the authorized representative.
4. Contact the applicant or authorized representative for any information needed. The applicant or authorized representative must agree to be interviewed and sign any required forms.
5. Issue benefits and provide notices in care of the authorized representative.
6. Use appropriate budgeting procedures (FS-555-6).
7. Regular participants in a drug addiction or alcoholic treatment and rehabilitation program are exempt from work requirements.

WHEN PARTICIPANT LEAVES THE CENTER

- a. When the individual leaves the center and no coupons have been spent on his behalf, the center shall provide the individual with his ID Card and full allotment for that month, regardless of what day he leaves.

If coupons have already been issued and any portion has been spent on behalf of the individual, and he leaves the center prior to the 16th of the month, the center shall provide the individual with one-half of his monthly allotment.

If the individual leaves after the 16th of the month, and the coupons have already been issued and used, the household does not receive any coupons.

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TANF or PaS Reference

CFR 273.11(e)(F)

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Residents of Drug and Alcohol Treatment Centers or Group Living Arrangements for the Developmentally Disabled

- b. Once the household leaves the treatment center, the center is no longer allowed to act as the household's authorized representative. The treatment center shall return any coupons received on behalf of households which are no longer residents of the center.
- c. It is the household's responsibility to report their new address and other changes in their circumstances to the Food Stamp Office after leaving the center.

RESIDENTS OF GROUP LIVING ARRANGEMENTS FOR THE DEVELOPMENTALLY DISABLED

GENERAL RULE - A group living arrangement for the developmentally disabled is a public or private nonprofit facility, serving no more than 16 residents (the majority of whom are SSI recipients), that is approved by the Department of Human Services or the Department of Mental Health and Retardation.

A disabled person ("Disabled" as defined in FS 999-1) living in an approved group living arrangement for the developmentally disabled may be eligible for benefits. The group living arrangement for the developmentally disabled shall determine whether a resident may apply on his own behalf.

If the resident has made application on his own behalf, he is responsible for reporting changes in his situation to the Food Stamp Office. If the group living arrangement is acting as authorized representative, it is responsible for reporting changes in the household's circumstances, and when the household leaves the facility.

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TANF or PaS Reference

CFR 273.11(e)(F)

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WHEN PARTICIPANT LEAVES THE FACILITY

When the household leaves the facility, regardless of the method of application or the time of the month, the facility shall provide residents with their ID Card (if applicable), and the departing household shall receive its full allotment if no coupons have been spent on its behalf.

If the coupons have already been issued, and any portion spent on behalf of the household and the departure is prior to the 16th of the month, the facility shall provide the household with its ID Card and one-half of its monthly allotment. If the household leaves after the 16th of the month and the coupons have already been issued and used, the household does not receive any coupons.

If a group of residents have been certified as one household and have returned the coupons to the facility to use, the departing residents shall be given a pro rata share of one-half the household's monthly allotment if they leave prior to the 16th of the month.

If a resident or a group of residents have applied on their own behalf and if they retain use of their own coupons, these residents are entitled to keep the coupons when they leave. If a group of residents have applied as one household, a pro rata share of the remaining coupons shall be provided to any departing member.

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TANF or PaS Reference

CFR 273.11(g)

Section: **FS-444-6**

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Shelters for Battered Women and Children

GENERAL RULE - Residents of Shelters for Battered Women and Children may be eligible for benefits.

An eligible resident who has authorized the shelter management to act as authorized representative can use the coupons to purchase meals prepared at the shelter; the shelter management can then act as authorized representative to purchase food with the coupons.

SPECIAL PROCEDURES

1. Persons who have left a participating household containing the person who abused them may receive an additional allotment as a separate household once in a calendar month.
2. Certify persons at the shelter as a separate household on the basis of their income and assets only.

NOTE: Adjust the FS allotment of the former household based on reduced household size within the prescribed rules for adverse action.

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TANF or PaS Reference

CFR 273.5, 273.9(C)

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None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Students

GENERAL RULE FOR POST-SECONDARY STUDENTS ONLY - Students enrolled at least half-time in post-secondary schools, colleges, universities, etc., are treated differently from other applicants and recipients.

In order to be eligible, such students must meet at least one of the following conditions. The requirement that one of these conditions be met in order to be eligible continues throughout the student's enrollment, including vacations (e.g. in order to continue to be eligible for Food Stamps, a student who is eligible because of the work study condition must meet one of the other conditions if the work study condition is not being met during summer vacation).

1. be 17 years old or under or 50 years old or older

OR

2. be engaged in paid employment of twenty hours or more per week. If self-employed, be employed for 20 hours or more per week and receive weekly earnings at least equal to Federal minimum wage multiplied by 20 hours.

OR

3. be participating in a state or federally financed work study program.

OR

4. be physically or mentally unable to work twenty hours per week while attending school at least half-time. In the absence of physical evidence, disability must be verified by a statement from a doctor or licensed psychologist.

OR

5. be responsible for care of household member under six, or when adequate child care is not available for children between six and twelve years of age to enable the student to attend class and satisfy the 20 hour work requirement or participate in a work study program (if an individual is a full time student and a single (only) parent with the responsibility for a dependent child under age 12 regardless of the availability of adequate child care, eligible student status is met).

NOTE: Exemption is still allowed when child care is purchased for a child under six.

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TANF/PaS Reference

CFR 273.5, 273.9(c)

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None

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Students

6. be receiving TANF/PaS.

or

7. be assigned to or be placed in post secondary institution through one of the following programs:

WIA (Workforce Investment Act of 1998);
ASPIRE/JET or ASPIRE/JET contracted agency;
the Trade Adjustment Assistance Program of the Department of Labor (for workers dislocated due to imports); or,
an employment and training program for low income households operated by a state or local government where one or more of the components of such program is at least equivalent to a Food Stamp employment and training program component (i.e., 8 weeks per year job search; job search training and support activities; workfare; work experience; education program that directly enhances employability).

NOTE: Self-initiated post secondary institution placement during the time the person is enrolled in one of these employment and training programs is acceptable if the person's employment and training program has a component for enrollment in an institution of higher education and that program accepts the placement.

8. be participating in an on-the-job training program.

NOTE: A person is considered to be participating in an on-the-job training program only during the period of time the person is being trained by the employer (i.e., to meet this student eligibility condition, the person must continue to work; only attending classes does not meet the condition).

Once a student enrolls in post-secondary education, he shall be considered enrolled through normal periods of attendance, vacations, and recesses until he graduates, is dismissed, drops out, or does not plan to enroll for the next normal term (summer sessions are not considered normal terms).

The income and assets of an ineligible student living with a household shall not be considered in determining the benefits of the remaining household members.

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TANF or PaS Reference

CFR 273.5, 273.9(c)

Section: **FS-444-7**

None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Students

TREATMENT OF STUDENT INCOME

Exclusion of Certain Federal Aid Monies

For school periods beginning on or after July 1, 1993, student financial assistance received under Title IV or under Bureau of Indian Affairs (BIA) student assistance programs, shall not be considered as income. In addition, effective 10/1/92, loans provided under Title XIII Indian Higher Education Programs, Part E, Tribal Development Student Assistance Revolving Loan Program shall not be considered as income.

In some situations only part of the education assistance is from such a totally excluded source. For example, part of a student loan may be funded under Title IV and part under a State program. If a single loan or grant or work study is funded in whole or in part under Title IV or BIA, the total amount of that loan or grant would be excluded.

Most federal financial aid will now be completely excluded as income, without regard for how the aid is spent. When calculating allotments for students, begin by identifying the types of federal financial assistance the student will receive, and exclude all pertinent assistance as income.

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TANF or PaS Reference

CFR 273.5, 273.9

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None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Students

The Following is a List of Excluded Educational Assistance Authorized under Title IV:

- Basic Educational Opportunity Grants (BEOG or PELL Grants)
- Presidential Access Scholarships (Super PELL Grants)
- Federal Supplemental Educational Opportunity Grants (SEOG)
- State Student Incentives Grants (SSIG; Maine State Incentive Grant)
- Federal Direct Student Loan Programs (FDSLP)
(Formerly GSL and FFELP):
- Federal Direct Supplemental Loan Program
(provides loans to students)
- Federal Direct PLUS Program
(provides loans to parents)
- Federal Direct Stafford Loan Program,
- Federal Direct Unsubsidized Stafford Loan Program, and
- Federal Consolidated Loan Program

- Federal Perkins Loan Program - Direct Loans to students in institutions of higher education (Perkins Loans, formerly NDSL)
- Federal Work Study Funds (Note: Not all Federal work study funds come under Title IV of the Higher Education Act.)
- TRIO Grants (Go to organizations or institutions for students from disadvantaged backgrounds):
- Upward Bound (Some stipends go to students)
- Student Support Services
- Robert E. McNair Post-Baccalaureate Achievement
- Robert C. Byrd Honors Scholarship Program
- College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work.
- High School Equivalency Program (HEP)
- National Early Intervention Scholarship and Partnership Program.

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TANF or PaS Reference

CFR 273.5, 273.9

Section: **FS-444-7**

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Treatment of Bureau of Indian Affairs Financial Aid

There is only one BIA student assistance program per se. It is the Higher Education Grant Program, which is sometimes called the Scholarship Grant Program. However, education or training assistance received under any BIA programs must be excluded. There is an Adult Education Program that provides money to adults to get a GED, attend technical schools, and for job training. There is also an employment assistance program. In addition, education and training may be made available under separate programs like the Indian Child and Family Programs. Each tribe has a BIA agency that may be contacted for more information about education and training assistance. BIA student assistance is provided by the tribes, is not denoted by any particular name, and is not usually listed on institutions' financial aid statements.

Treatment of Other Financial Aid

Other scholarships, educational grants, fellowships, work study, deferred payment loans for education, veteran's educational benefits, and the like are considered income. However, these educational monies are excluded from consideration as income:

- when they are awarded to a person enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof,

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CFR 273.5, 273.9

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None

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- to the extent that they do not exceed the amount used for or made available as an allowance determined by such school, institution, program, or other grantor, for tuition, mandatory fees (including the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved), books, supplies, transportation, other miscellaneous personal (other than expenses specified as "room and board"), and dependent care of the student incidental to attending such school, institution, or program, and

- to the extent loans include any origination fees and insurance premiums.

NOTES: A loan in which repayment must begin within 60 days after receipt of the loan is not considered a deferred payment loan.

Only that portion of such assistance earmarked for board and room is not excludable under this provision. This means that expenses for which assistance is earmarked are excluded from that assistance even if the expenses are paid or contributed to by someone else, such as ASPIRE.

Any expense, in whole or in part, covered by educational income which has been excluded is not deductible.

Dependent care costs which exceed the amount excludable from income is deductible up to the dependent care deduction cap (see FS-555-5).

Reimbursements for past or future expenses other than normal household expenses such as rent, mortgage, personal clothing, or food eaten at home are excluded if they are specifically earmarked for educational expenses.

Student financial assistance in the form of grants, scholarships, and deferred payment loans is averaged over the period of intended coverage (usually a semester or school year). Do not start counting averaged student income until the month in which it can be reasonably anticipated. Continue to budget it through the last month of the period of intended coverage, regardless of whether or not the student is still in school. The most common school year is divided into two unequal semesters - one is four months, and the other is five months. Most financial assistance is received one semester at a time.

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CFR 273.5, 273.9

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The exclusion provisions of financial assistance is not based solely upon the actual expenditures by the student. Student assistance "which is either used for or made available for" attendance costs is excluded as income and resources. This language allows the institution or grantor to merely indicate that the assistance is meant to be used for allowable costs of attendance, but does not require the student to verify how the assistance is actually used. Budget sheets and the like developed by the institutions or grantors shall be used as the verification of the amount of assistance and the attendance costs for which it is intended. If the institution does not indicate attendance costs or if the amounts indicated by the institution are less than the student claimed to be using, students must be allowed to provide verification for the exclusion of these amounts.

NOTE: If the student claims to be incurring higher transportation costs than the amount of transportation costs indicated by the institution, actual verified costs or the standard mileage allowance may be used. The Maine state employee mileage allowance reimbursement rate is the amount to be used if the standard mileage allowance is claimed.

Since students are not required to accept all of the financial assistance offered it will be necessary to verify with the institution or donor the actual amount which will be received.

Institutions vary a great deal in the way they arrive at "TOTAL NEED"; however, they all base the amount of assistance on the estimated cost minus the student's resources.

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CFR 273.5, 273.9

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None

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Treatment of Work-Study Income

Most work-study income is fully excludable under the Higher Education Act amendments. The further discussion of work-study monies applies only to those few work-study grants that are not funded by the excluded sources mentioned earlier in this section.

Special attention must be paid to earnings from work study. Normally, the institution's financial aid unit will offer a student a maximum dollar amount of work study income, which the student may or may not utilize. If utilized, they are subject to the same exclusion provisions as other student financial assistance. In most instances, the dollar amount of the expenses which are allowed to be excluded from student income will equal or exceed the combination of grants, loans, scholarships granted the student and the maximum potential work study income. In those situations where there is the possibility that the work study income is not excluded, it will be necessary to track the potential countable income and to assure that the student is aware that he/she must report such income as it occurs. The work study income that remains, after the exclusions are applied, is entitled to the earned income deduction (see FS-555-5).

NOTE: The procedures outlined above regarding work study income also apply to other educational assistance which have a work requirement.

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The typical work sheet, award letter, etc. will outline the estimated costs (usually called "Budget") and the financial assistance that is offered. For example:

<u>BUDGET</u>		<u>FINANCIAL ASSISTANCE OFFERED</u>			
			<u>Fall</u>	<u>Spring</u>	<u>Total</u>
Tuition and Fees	\$2,000	*Pell Grant	\$1,200	\$1,200	\$2,400
Books and Supplies	500	*SEOG	100	100	200
Transportation	400	Work Study (State funded)	500	500	1,000
Child Care	1,000	*Maine State Incentive	500	500	1,000
Room and Board	4,370	Institution Grant	1,400	1,400	2,800
Miscellaneous	150	Stafford Loan	500	500	1,000
		Other Loan		400	400
	<u>\$8,420</u>		<u>\$4,200</u>	<u>\$4,600</u>	<u>\$8,800</u>

Other Contributions

ASPIRE \$250 for books/supplies, \$900 for transportation, \$2250 for child care

Steps to Follow to Determine Countable Financial Assistance
(Results from the above example follow within each step):

1. Exclude Title IV and Bureau of Indian Affairs Aid (aid with an *) and add up what is left.

<u>FALL</u>	<u>SPRING</u>	
\$ 500	\$ 500	State Funded Work Study
\$1400	\$1400	Institution Grant
\$ 0	\$ 400	Other Loan
<u>\$1900</u>	<u>\$2300</u>	TOTAL NON-EXCLUDED INCOME

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None

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2. Figure out the countable expenses. Reminder: room and board is not an allowable expense.

\$ 2000 Tuition and fees

\$ 500 Books and supplies (although ASPIRE contributed \$250, \$500 is excluded because it was earmarked)

\$ 400 Transportation (although ASPIRE contributed \$900, \$400 is excluded because it was earmarked)

\$1000 Child Care (although ASPIRE contributed \$2250, \$1000 is excluded because it was earmarked)

\$ 150 Miscellaneous

\$ 4050 TOTAL ALLOWABLE EXPENSES

NOTE: That portion of the actual child care expense which exceeds the amount earmarked by the institution and the ASPIRE contribution would be budgeted based on policy at FS-555-5.

3. Prorate and Subtract the countable expenses from the non-excluded income:

Allowable EXPENSES = \$4050/9 months = \$450 a month

Fall Non-Excluded INCOME = \$1900/4 months = \$475 a month

\$ 475 monthly income

- 450 monthly expenses

= \$ 25 net countable

Spring Non-Excluded INCOME = \$2300/5 months = \$460 a month

\$ 460 monthly income

- 450 monthly expense

= \$ 10 net countable

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None

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4. If non-excluded work study income is used, budget the net countable financial assistance as earned income up to the amount of the work study award. Budget as unearned income that net countable financial assistance which exceeds the work study award.

Fall Work Study = $\$500/4 \text{ months} = \125 a month

Because the \$25/month net countable is less than the \$125/month work study, the \$25/month is budgeted as earned income.

Spring Work Study = $\$500/5 \text{ months} = \$100/\text{month}$

Because the \$100/month net countable is less than the \$100/month work study, the \$100/month is budgeted as earned income.

NOTE: Had spring's net countable been \$110 for example, \$100 would have been budgeted as earned income and \$10 as unearned income.

5. Do not budget the financial assistance until it is anticipated to be received.

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None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Categorically Eligible Households

TANF or PaS AND SSI

GENERAL RULE - Households in which all members receive SSI will be considered categorically eligible for FS. Do not include as members: Ineligible aliens, ineligible students or residents of nonexempt institutions. The factors listed below are considered to be met for categorically eligible households.

1. asset limits;
2. transfer of assets;
3. gross and net income limits; (See Exception)
4. Social Security Number requirements;
5. sponsored alien requirements;
6. residency and identification requirements.

All households will be considered categorically eligible for FS if at least one member of the household receives a TANF funded service or benefit. (See Exception)
All Food Stamp households that have a child under the age of eighteen (18), or (18) and a full time student, who lives with a parent or caretaker relative are eligible for the Maine Department of Human Services *Resource Guide for Families*, a TANF-funded service.

Even though these households are considered to be categorically eligible for Food Stamps, all individuals who are ***not SSI or GA benefit*** recipients must have the following factors verified:

1. Social Security Number requirements,
2. sponsored alien requirements,
3. residency and identification requirements.

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EXCEPTION: The above households will ***not*** be considered categorically eligible for FS if:

1. the entire household is institutionalized in a nonexempt facility,
2. a member of the household is presently disqualified for an intentional program violation,
3. the household fails to complete recertification requirements.
4. the head of household fails to comply with work requirements, including job quit.

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None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Categorically Eligible Households

GENERAL ASSISTANCE (GA)

GENERAL RULE - All pure GA households will be considered eligible for Food Stamps. The factors listed below are considered to be met for these households. Do not include as members any of the following: ineligible aliens, ineligible students, residents of non-exempt institutions, individuals disqualified for failure to provide or apply for a social security number, household members disqualified for failure to comply with work requirements, and individuals disqualified for intentional program violation.

1. assets limits;
2. gross and net income limits;
3. sponsored alien requirements;
4. residency and identification requirements.

EXCEPTION: The GA Household will not be considered categorically eligible if:

1. a member of the household refuses to cooperate in providing information to the Food Stamp office that is necessary to determine eligibility or to complete any subsequent review of eligibility;
2. the household is ineligible under the striker provision at FS 444-9;
3. the household is ineligible because it knowingly transferred resources for the purpose of qualifying or attempting to qualify for Food Stamps.

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None

HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Categorically Eligible Households

PROCEDURE - Applicants may apply for TANF or PaS and Food Stamps at the same time. SSI applicants may apply for FS at the Social Security Office (FS 222-1) or at the Department of Human Services. GA applicants can get an application at the GA office but must apply at the Department of Human Services.

If TANF or PaS/SSI/GA eligibility has not been determined, FS eligibility is based upon FS criteria. Denial of a potential categorically eligible household will be delayed for thirty days from the FS application date. Households denied food stamps that have a pending SSI or GA application shall be notified of the possibility of categorical eligibility should they become SSI or GA recipients.

If FS were denied prior to the granting of TANF or PaS/SSI/GA, FS benefits for the initial month must be prorated from the date from which the TANF or PaS, SSI, or GA benefits are payable, or the date of the original food stamp application date, whichever is later.

One and two-member categorically eligible households are entitled to at least \$10.00 per month, regardless of the amount of net income.

Three or more member households will be entitled to at least \$2.00 per month if the full allotment reduced by 30% of net income is at least \$1.00. All households with three or more members who are eligible for zero benefits cannot be denied - they must be suspended. Such households are determined to be "authorized to receive benefits."

Exception:

Households which are determined to be categorically eligible due to the receipt of a TANF funded service (the Resource Guide for Families) must meet the FS net income test (100% poverty level) to remain categorically eligible. Regardless of the number in the household, those who do not meet this net income test are **not** categorical and need to be closed.

Individuals are considered recipients of SSI or GA even if not receiving payments due to

1. benefits have been authorized but payment has not yet been received;
2. benefits are suspended or recouped; or

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3. benefit amount is less than minimum grant paid.

Households are considered to be categorically eligible due to TANF or PaS authorization even if not receiving payments because

1. benefits have been authorized but payment has not yet been received;
2. benefits are suspended or recouped;
3. benefit entitled to is less than minimum grant paid; or
4. benefits or services are authorized but not used.

Categorical eligibility related to TANF or PaS continues until the benefit or service is no longer funded by TANF funds.

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None

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Categorically Eligible Households

Categorically eligible households must be automatically terminated from Food Stamps for failure to become timely re-certified, even though they continue to receive TANF or PaS, SSI, GA or a TANF funded service or benefit.

Categorically eligible individuals are subject to re-certification, work registration, employment/training requirements, and exemption criteria. Job quit penalties also apply.

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CFR 273.1(g), 273.7(j)

Section: **FS-444-9**

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Strikers

Different

GENERAL RULE - A household with a striking member is ineligible, unless it was eligible on the day prior to the strike. Households receiving benefits on the day prior to the strike cannot receive an increase in benefits due to the decreased income of a striking member.

Pre-strike income is determined by comparing the striker's income prior to the strike to his current income, and then adding whichever is more to the rest of the household's current income. The earnings deduction is allowable.

NOTE: Vehicles normally exempt from equity consideration retain the exempt status during the strike.

Striking members of eligible households are subject to work requirements. Those members who are exempt from work registration are not considered strikers.

A striker is anyone involved in a strike or concerted stoppage, slowdown, or interruption of work by employees.

Some examples of non-strikers are:

1. Employees unable to work as a result of other employees striking;
2. employees whose place of employment is closed by an employer;

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Strikers

3. employees who are not part of the unit on strike, but do not want to cross a picket line due to fear of injury or death.

In all cases of a strike where permanent replacements have been hired by the company, the persons whose jobs are replaced, are no longer considered strikers. They must be able to return to the same job they left when the strike began to be considered a strike.

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TANF or PaS: none Med: none CFR 273.1(g), 273.7(j)

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HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

Non-Compliance with Federal, State, or Local Welfare Assistance Program
Requirements

GENERAL RULE: - An individual disqualified for intentional program violation or other failure to comply with a requirement of another means-tested federal, state, or local welfare public assistance program (such as but not limited to TANF, SSI, GA) shall also be disqualified from participation in the Food Stamp Program.

In order to be disqualified from Food Stamps due to a sanction from another program, the individual must be receiving Food Stamps at the time of the sanction.

NOTE: If the other public assistance program disqualifies the entire household because of one household member's intentional program violation or failure to comply with a requirement, only the individual who caused the disqualification or sanction may be disqualified from participation in the Food Stamp Program.

The disqualification period shall continue until the program which imposed the disqualification no longer considers the individual disqualified. If an individual was disqualified for an unlimited period (e.g., "until complies"), the disqualification causes the participation of the disqualified individual's household in the other program to cease, and the household has not resumed participation in that program, the disqualified individual will no longer be considered disqualified from participation in the Food Stamp Program starting with the first day of the second month after benefits from the other program ceased (e.g., if the other program's last benefit was issued in December, Food Stamp participation may resume February 1).

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Households in which some individuals are eligible for Federally funded Food Stamps and some for State funded benefits.

- Income belongs to the individual in whose name it is received.

EXCEPTION: TANF income must be prorated for all household members receiving TANF benefits. Income from ineligible aliens is to be prorated among all household members regardless of funding source(s) of the household's benefits.

- Shelter expenses for the household are to be attributed to the individual in whose name the expense is billed.

EXCEPTION: Shelter expenses of ineligible aliens are to be prorated among all household members regardless of funding source(s) of the household's benefits.

NOTE: If the bill is paid by another household member on a regular basis, the expenses will be attributed to the member paying the bill.

State funded Food Stamps will be equal to the difference between the Federal Food Stamp grant and the amount of Food Stamps the household would have received had all members been citizens.